

A Sales Force Design Process for Startups

Final Work Project

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Part 1: Business Project description

1.1 Company

Shelf Life is a graduation project founded by Rosa Couto in 2011, who developed a product concept of ‘modular furniture’, meaning a new way of assembling different types of furniture. It includes 15 pieces of wood which can be assembled into 7 different configurations of furniture such as tables, desk and sofas. The pieces can be easily put together or taken apart due to grooves and dents, which eliminates the need for screws and bolts¹. After graduating and winning third prize in the Ernst & Young Entrepreneurship competition in 2013, Couto reached out to students of the CEMS program at NOVA SBE, to develop a Business Plan to make Shelf Life a commercial success.

1.2 Current client situation: A new product concept

The CEMS team started analyzing the commercial potential of Shelf Life. After conducting initial extensive qualitative and quantitative market research, it was found that the Shelf Life product would **not be viable** for commercial success. This was mostly attributable to various flaws in the value proposition and key characteristics of the product such as lack of practicality, space-saving issues and dimensions of the product². In order to create a product that would be successful, the CEMS team utilized various research methods to consequently **adjust the product and its value proposition**. The company would still be named Shelf Life, however the new product would be called: ‘Tryptic’. Tryptic is a unique indoor wall decoration product that can be transformed into furniture. Tryptic consists of multiple decoration planks which can be taken off the wall and easily assembled into tables without the need for screws or bolts. There are three decorations options for tryptic: (1) decoration stickers, (2) mirrors and (3) chalk boards³.

1.3 Market overview

The Business Plan for Tryptic is developed for the **Portuguese market** as a **test** to demonstrate proof of concept and its assumptions regarding brand awareness, conversion and profitability. The 2013 market size of the furniture and decoration industry is €1.5 billion spread over nearly

¹ See appendix 1 for a visual presentation of Shelf Life.

² See appendix 2 for detailed clarification of original product issues.

³ See appendix 3 for Tryptic product visualization and specifications

11.000 stores. As a result of the economic downturn in Portugal, emerging trends are towards cost saving and a good price/quality ratio. As such, nearly 35% is dominated by big players such as IKEA and CASA. Another rising trend regards an **increase** in decoration consumption compared to furniture (Euromonitor 2013). Tryptic caters to this trend as it is a new affordable product category between furniture and decoration with unique features that stand out, minimizing direct competition and appealing to its target market.

1.4 The business project challenge

The business project challenge was to develop a detailed Business Plan for the Tryptic product including market analysis, customer definition, marketing strategy and tactics, material sourcing, human capital planning and financing. **The first sub-challenge** was to devise and carry out a detailed research process to base our assumptions on and to take right business decisions. **A second challenge** concerned the emergence of a product development role due to the product alterations, hence stretching the scope of the project further. It was therefore key to plan and prioritize our actions well to deliver a quality Business Plan. **The final main challenge** was how to get the product sold into retail. To take care of sales, the hiring of a sales manager was proposed as well as a brief sales strategy. Relatively little emphasis was given to this topic due to scope, leaving an hiatus of necessary information to execute the sales plan adequately, therefore extensive attention will be given to this topic in part 2 of this report.

1.5 Summary of Business Plan outcomes

Tryptic will **launch** April 1st 2015 and will be sold for €90 (Tryptic S) and €130 (Tryptic L), in retail furniture, concept and design stores as well as via its own website. The materials will be sourced from Chinese suppliers. Our target market consists of two segments, the ‘Uniqueness Lovers’ and the ‘Functional Decorators’⁴. To reach our target market and create purchase intent of 2.5%, a viral launch campaign will be realized as well as other ongoing social media activities⁵. These activities, guided by a well-designed sale force process, are forecasted to yield sales revenues of €133.403 (1213 units) by the end of year 1, generating a net income of €15.801 in year 1, which is projected to grow by 200% within 2 years to €47.837.

⁴ See appendix 4 for Tryptic segmentation, targeting and positioning analysis.

⁵ See appendix 5 for Tryptic marketing activities

Part 2: Sales force design process for startups

Every company and especially startups need a well-defined sales structure to realize a high level of sales effectiveness, efficiency and better company performance. This sales structure includes the most effective sales strategy and its accompanying tactics such as sales process, sales channels and sales force design. The **original approach** only briefly and merely partially described the sales force design process. It was determined that Shelf Life would need a sales manager to take on all sales related activities for both the online and retailer sales. This conclusion was drawn based on the analysis regarding the current founder, who lacks the business expertise to carry out these sales activities effectively. The activities for the sales manager were briefly defined and included: (1) prospect generation, (2) after-sales service and (3) geographic planning of client management . The scope of the Business Plan did not allow for a more thorough and in-depth analysis of the necessary sales force design process. Thus, a number of **limitations** regarding the original approach are identified:

- **Limited sales structure developed:** While the approach briefly included the main duties of the sales manager, it excluded crucial elements of the sales force design process, such as
 - a. The sales process: No phased approach was designed.
 - b. Sales manager responsibilities were not defined.
 - c. Performance measurement tools were not implemented.
 - d. Compensation structures: A flat compensation rate was assumed without commission.
- **Heavy reliance on sales manager:** Connected to the previous limitation, the report suggests that the sales manager would take care of designing the entire sales structure. For a starting business, it is however important that the sales structure is well designed up front in order to have a guideline through the often chaotic build-up phase (Tenner, 2011). If a sales structure is well defined, it aids the effectiveness and efficiency of the company, and can give the current owner the confidence to initiate in sales activities, even without a sales manager.

Based on the original approach and its limitations, an **alternative** and more in-depth sales force design process is proposed. This is necessary because, firstly, startups are often chaotic in how they operate. Defining a process and structure for how, when and where sales need to occur, provides the necessary base support. Secondly, Guenzi (2007) argues that a clear defined

relational selling strategy allows Shelf Life to understand its customer needs, challenges and how to better serve them. Thirdly, a solid sales force design process allows for various tools to measure progress, such as sales targets and performance, conversation rates, bottlenecks, etc. (salesforce.com, 2013). Finally, it aids the founder to take right decisions in regard to sales force staffing, compensation schemes and territory assignment. To define the sales force design process, the proposed framework⁶ by Zoltners et al. (2004) is utilized. Their sales process framework is comprised of three main elements: (1) Sales strategy, (2) Go-to-market strategy and (3) Sales force design. In the sales strategy, it is determined what type of customer approach is chosen, to which customer segment and how the sales process looks of converting interested potential clients into closed sales. The second part regards the choice of sales channel that will most effectively reach the potential customer. Finally, in the sales force design, elements are defined such as how the sales force will operate, in which geographical locations and for what type of compensation. This framework will be elaborated upon and adapted to the context of Tryptic, to identify all the necessary actions for a successful sales process.

2.1 Sales strategy

A first key step which serves as a base for a company's sales structure is the definition of a sales strategy. According to Abed (2009), a sales strategy's aim is to be able to meet a proper person at the proper time and location using the best technique in order to influence that person to buy. Shelf Life adopts a strategy that is characterized as a customer-oriented strategy, which means that emphasis is given to the ability of maintaining long-term customer relationships. This is done for example by realizing a win-win approach, where sales employees of Tryptic and its potential retailers become partners (Weitz and Bradford, 1999). The sales strategy for Tryptic is similar to the marketing strategy regarding that in both, potential customers have to be identified or segmented, after which the most lucrative ones are targeted with the right product. The target segments for Tryptic are identified as the 'Uniqueness Lovers' and the 'Functional Decorators',⁷ and are targeted with both the Tryptic S and Tryptic L. Sales activities are often regarded as a continuation of marketing efforts. Kotler et al. (2006) argue that the moment marketing efforts

⁶ See appendix 6 for a visual presentation of the 'sales force design process' framework

⁷ See appendix 4 for a detailed description of the segments

have managed to create brand awareness and transformed this awareness into purchase intent, potential clients are ‘handed off’ to the sales department into the so-called sales funnel. This funnel is a process and is described as customer purchase and retention activities by Zoltners et al. (2004) There are five components to the sales process which are: (1) Interest creation → (2) Pre-purchase → (3) Purchase → (4) Immediate post-purchase → (5) On-going post-purchase. Each of these components possesses a number of activities to be carried out, which are presented in the context of Tryptic⁸:

Phase 1: Interest creation. Tryptic continues on the marketing efforts designed by the CEMS team. These efforts include both online and offline activities. A viral launch campaign as well as intensive online marketing activities such as an appealing social media presence, blog engagement and a high quality website, are executed in order to create brand awareness, brand interest and feed the prospect list of interested retailers. In this phase it is key to learn about the retailer, know their product offering, their way of doing business and to identify the buying decision makers of the retail store. (Hutt & Speh, 2007).

Phase 2: Pre-purchase. This phase includes all necessary actions to contact the retailer and set-up a medium to explain/demonstrate the product, as well as understanding needs, requirements, limitations and preferences of the retailer to tailor a suited offer. For this report, the following contact methods were tested to sell Tryptic⁹: E-mail, phone, face-to-face and social media. From the test, the following sequence appears to be the most effective. First, a phone call is made and an employee is reached with deciding authority. Next, a short and exciting pitch about Tryptic and its unique feature is provided. Then the question is asked if the retail store is currently looking for new products to list and if it would be open to meet for a product demonstration. With this question, one understands more about the retailer. A follow-up e-mail is proposed to confirm a meeting followed by an actual face-to-face meeting with the retailer. In the face-to-face meeting, the product is demonstrated and all necessary information is given such as price and margin whilst gathering information about needs and requirements of the retailer.

Phase 3: Purchase. The purchase phase is all about realizing a mutually satisfactory deal. Selling proposals/quotes are offered and through negotiation and persuasion tactics, a deal

⁸ See appendix 7 for a diagram presentation for the sales process.

⁹ Phone calls and face-to-face visits with retailers such as blendstore, 21 pr concept store and the real store.

is hopefully reached and the sale is closed. While a purchase order has not been obtained nor negotiated due to the stage Tryptic currently is in (prototype phase), my endeavors with contacting potential clients to gauge their interest in Tryptic, has resulted in a number of valuable insights for this phase. The most important insight regards the realization that a **tailored offer** depending on the type of retailer and its requirements, is essential. I derived three possible proposals for selling Tryptic. Depending on the retailer's size, inventory requirement and financial capital, Tryptic will either be sold (1) With full up-front payment, (2) Via a hybrid solution, receiving cost price up-front plus the profit mark-up once a sale is made and (3) Through payments only once a sale is made. A second insight concerns the discount percentage for retailers from the full selling price. Contacted stores mentioned that their discount margin, depending on the product, is between 30% and 40%. Shelf Life will therefore strive to negotiate a maximum discount of 30% to all retailers.

Phase 4: Immediate post-purchase. This phase is characterized by activities involved right after a sale is closed and include order status information, product delivery, return handling and payment collection. In order to keep track of all its accounts, Shelf Life will have to engage in customer relationship management (CRM) solution such as salesforce.com or pipedrive.com. In such tools, orders with retailers can be tracked, payment collection is managed, as well as easily tracking where in the sales process a specific client currently is in (how many prospects, how many in pre-purchase phase, etc.)

Phase 5: Ongoing post-purchase. This phase is a continuation of phase 4, however it is more focused on relationship building with the retailers. Customer service can be provided and marketing efforts for the retailers can be offered. Re-orders should be pursued and continuously also payment collection.

2.2 Go-to-market strategy

Research from the business project showed that the product would be sold via a multi-channel approach; (1) via furniture and decoration retailers and (2) via the Shelf Life website. The current report focuses entirely on the **retailer** aspect of sales, as our quantitative research showed that over 70% of respondents would buy Tryptic in a brick-and-mortar store¹⁰. due to the ability to

¹⁰ See appendix 8 for Sales channel preference derived from Questionnaire (2014)

use all senses to perceive the product, but also due to immediate gratification of receiving the product (Levy & Weitz, 2012). According to Euromonitor (2013) there are 10.090 possible furniture and decoration outlets in Portugal. An estimate based on expert interviews (Ana Cardoso, 2014) is that 10% of these stores (1.090) have the necessary retailer profile which attracts our defined customer segments. These stores are divided into three tiers of stores, for which tier 1 possesses the most stores with the highest fit between Tryptic and the store profile. Tier 1 are the design and concept stores, tier 2 the independent furniture and decoration stores and tier 3 the small furniture retail chains¹¹.

2.3 Sales force design

Since Shelf Life currently has no employees, the sales force design is currently rather simple. However, the following topics have to be considered:

Responsibilities: The job description of a sales representative has to engage in are activities which can be separated in ‘customer time’ and ‘non customer time’ (Zoltners et al. 2009). For customer time, the sales manager needs to engage in all the activities described in the sales process such as approaching prospective retailers, demonstrating the product, closing deals, etc. When the sales manager is not working with the customer, responsibilities include administrative actions (eg. On the CRM-tool), company meetings or travelling.

Sales force size: As previously mentioned, there are 1.090 stores identified to approach. In the Business Plan the goal was set to be present in 50 stores at launch and 100 stores after year 1. This roughly comes down to contracting 2 stores a week for the initial target of 100 stores to be reached. One can calculate the size of the sales force necessary to reach this goal based on the activity based sizing method (Zoltners, 2004). According to Johnston & Marshall (2013), a sales rep spend 14% of his/her time prospecting new clients and 15% physically with a customer to close a deal. 40 hours a week is standard in Portugal (Economias, 2013). Thus one can conclude that approximately 11.6 hours a week are expected to be spent on closing 2 stores. According to conducted interviews with furniture retailers (21 pr concept store, real store, 2014), it is assumed that nearly 1.5 day a week to close two retailer sales is feasible for one sales employee.

¹¹ See appendix 9 for an indicating list of concept stores within Tier 1.

Geographical sales design: It is important because it improves customer coverage, improves moral and keeps travel time and costs under control. Nine main urban areas are identified where Tryptic will originally be sold¹². The rationale is that our target market predominantly lives and/or shops in these areas. As the base of Shelf Life is in the north of the country, efforts will initially be aimed towards retailers nearby. Because Portugal is a relatively small country, it is relatively easy for a sales manager to plan altering visits to (potential) clients in the north, center or south of the country.

Performance management: Zoltners (2009) proposes a framework for evaluating sales employees based on competencies. The framework contains four main criteria to be evaluated which are (1) Product and market knowledge, (2) Sales process execution, (3) Planning and territory management and (4) Relationship management. Scoring is done based on a four scale range from below standard to basic to experienced to advanced. The founder of Shelf Life should initially measure the sales manager's performance based on this framework and can continue the moment more sales employees are hired.

Compensation structures: There are multiple compensation and incentive plans for sales employees. The majority of them include a variable pay in the form of commissions and bonuses. There are many types of commissions such as fixed and variable commission based on daily sales quota attainment, on exceeding annual sales targets and on product type (commission higher for top products). After calling two retailer companies (Liquilentes and Blendstore, 2014) for a benchmark analysis, a viable compensation structure for Tryptic was developed.. The amount of units sold, which is estimated at 1213 units for year 1 equates to €133.403 in yearly sales. For a weekly target this comes down to 23.3 units sold for a value of €2565,44 or €110 euro per unit (average sales price). Hence the following compensation structure is proposed: A net base salary of €600 euro + 5% commission until weekly quota is hit + 7.5% commission when exceeding sales quota up to 130%. Thus if sales quota are hit, an employee would make 600€ + €512.6 in minimum commissions. This escalating commission structure incentivizes the sales manager to sell as many Tryptics as possible while providing a decent base salary to secure income.

¹² See appendix 10 for geographical map of urban areas where Tryptic will be sold.

Part 3 Reflection of learning

3.1 Masters content applied

From **Marketing (research)**, I learned how to analyze markets, industries, competitors, customers and emerging trends in order to understand the business environment, stakeholders and recognize product/service potential within those markets. Next, I applied **Segmentation, Targeting and Positioning (STP)** to identify and position for the most lucrative target markets. Finally, a **marketing strategy** (4 P's structure) based on the market research and STP was developed. From **Sales Force Management & Retailing**, I used the sale force design process framework by Zoltners et al. (2004, 2009) to map the necessary steps for Tryptic to be sold effectively, as previously read. In **Venture Creation**: I learned to **structure** a Business Plan, and Professor Forjaz taught me that to make an idea work, it is all about willpower for execution.. **Project Management** taught me how to apply and implement performance measures in the form of KPI formulation, milestone and Gantt charts. **Financial Management** knowledge helped me construct an income statement as well as determine the cash flows and initial investments necessary. **HRM** knowledge aided in making staffing decisions and detailing job descriptions.

3.1 New Knowledge

The main new method/research tool used is the use of **Focus Groups**, with the 'round robin concept'. This means that three product concepts were tested against each other in three focus groups to determine the best concept. Ads were shown with a picture and explanatory text to 8 people per group, were questioned lasted 1.5 hours¹³. A second new tool used was the **price response analysis model**; from both the focus groups and the survey, we recorded the prices participants would pay for Tryptic. Then we modelled a price function, determining the optimal price. This optimal price is found by looking for the price that yields the highest possible revenues compared to demand¹⁴.

3.2 Personal experience

My **overall experience** for this project was great. I was privileged to be part of a balanced, motivated and smart team. While we had no outspoken leader, we managed to coordinate our

¹³ See Appendix 11 for an example of a focus group ad.

¹⁴ See appendix 12 for the price response analysis model

tasks very well. I believe that my **strengths** and main contributions were the following. First, I believe I was a good communicator within the group, dividing tasks and involving everyone in discussions. Furthermore, I believe I brought humor and fun which I believe is key in working well together. Then, I believe I added valuable content in writing and in discussions regarding decisions. In these discussions, I often leveraged my strength of persuasion, however always highly regarding others' opinions. Finally, I was often the person who was proactive in organizing actions such as meeting set ups and calling various third parties for vital information. During the semester I could identify two **weaknesses** or challenges. First, I sometimes had a hard time dealing with so many unknowns and ambiguity, especially in the beginning, which would sometimes paralyze my decision-making capabilities. Secondly, I would sometimes unconstructively complain and doubt actions which would slightly irritate my teammates.

3.3 Areas of improvement

Regarding dealing with uncertainty and ambiguity, I am currently working on it by engaging in a business simulator named 'simulating a startup', where you learn to deal with ambiguity to take business decisions. Regarding my complaining, I need to work on thinking constructively towards solutions and leverage my normally positive attitude in these situations.

3.4 Hindsight reflections

I identify four elements that added most **value** in hindsight. Firstly, with a Business Plan for Tryptic, we provided a better alternative to commercial success than the existing product (Shelf Life), basing all our decisions on thorough research. Secondly, the focus groups provided us and Couto with valuable information regarding customer preferences. Thirdly, we conducted sourcing research in Asia, demonstrating a potential in significant cost-cutting. Finally we inquired durability and safety tests which are necessary to enter the market.

What we should have done **differently**, is communicating more with our business advisor to truly understand what she expected from us. We followed our academic professor advice to make a Business Plan for a new product, without consulting with our business advisor to ask if that would be valued. She was surprised when we gave her our first update, confirming our mistake of misaligning in project expectations. I therefore learned a valuable lesson of setting clear project objectives with all involved stakeholders before executing the plan.

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Appendices

Appendix 1: Visual presentation of Shelf Life

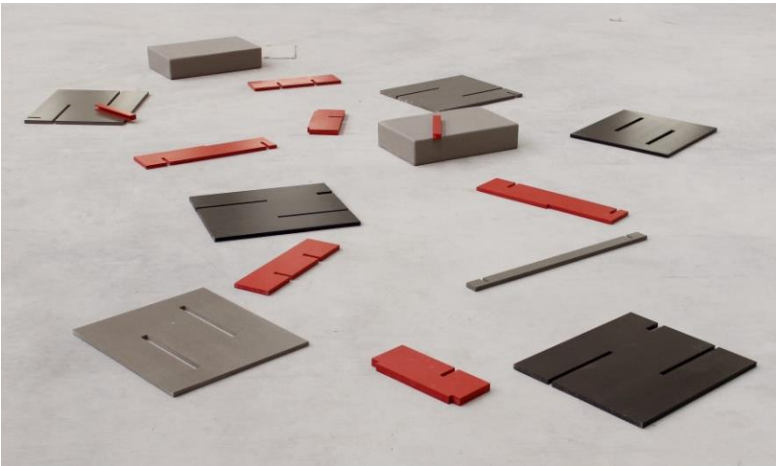


Figure 2 All 15 wooden pieces



Figure 1 Sofa and coffee table



Figure 3 Regular table and shelf



Figure 4 Desk

Appendix 2: Detailed clarification for original product issues

The CEMS student team analyzed the original Shelf Life product by researching both quantitatively and qualitatively and a number of conclusions were drawn:

Issues	Description
Not space-saving	<ul style="list-style-type: none">• The value proposition of Shelf Life is that it can save space by easily dismounting and stowing away. However, not to many people stow away a (full) shelve, a sofa or a desk.• Stowing away 10-15 pieces of wooden planks, also takes space.
Lacks practicality	<ul style="list-style-type: none">• Majority of respondents stated that the idea of mounting and dismounting furniture based on needs sounds and looks cool but is not practical.• Very few people would transform a sofa into a table or a shelf into a desk, as they would usually need both.• If an extra table or chair is needed for guests, preference is given to cheap and quick foldable solutions.
Wrong furniture dimensions	<ul style="list-style-type: none">• Many respondents found some furniture pieces too small (coffee table, sofa) and others too high (regular table).• Doubts where expressed regarding stability, durability and weight.
Tough furniture market	<ul style="list-style-type: none">• Shelf Life intended to launch locally in the north of Portugal. However the Portuguese furniture market is tough and not lucrative.• The large players such as IKEA eat up more market share while simultaneously 5% of small furniture retails have to close on an annual base.• The product was geared at a mid-level pricing, however the trend shows more customer favor towards cheap or good price/quality offers.

Appendix 3: Tryptic product visualization and specifications

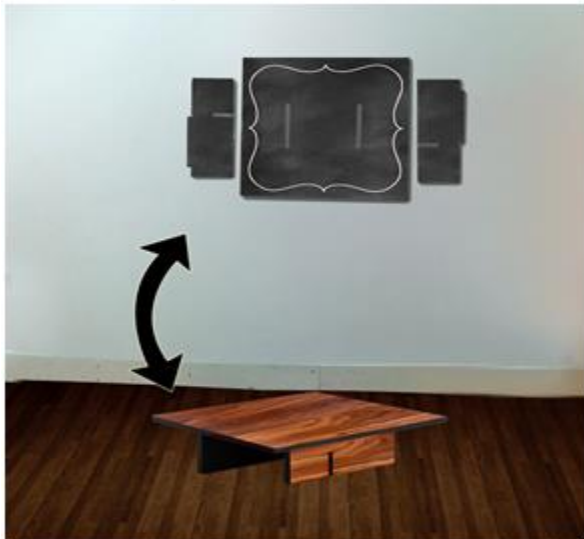


Tryptic L: *Regular table*
Option: Picture
Measurements: Top plate:75x68cm, Height:77cm
Material: Plywood

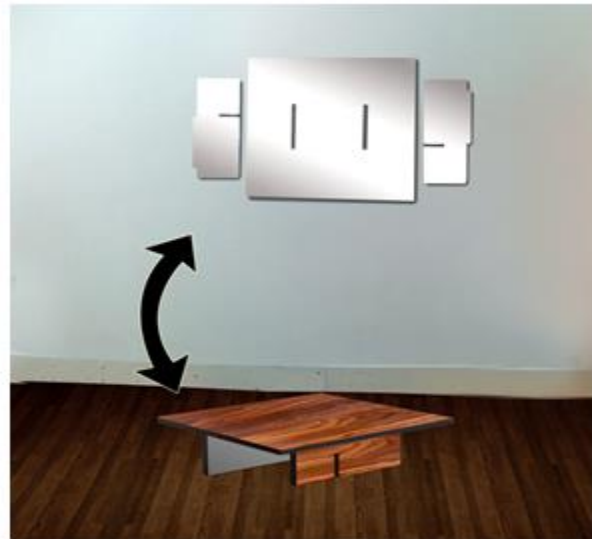


Tryptic S: *Low coffee table*
Option: Picture
Measurements: Top plate:75x68cm, Ht. 30cm
Material: Plywood

Additional options for Tryptic S:



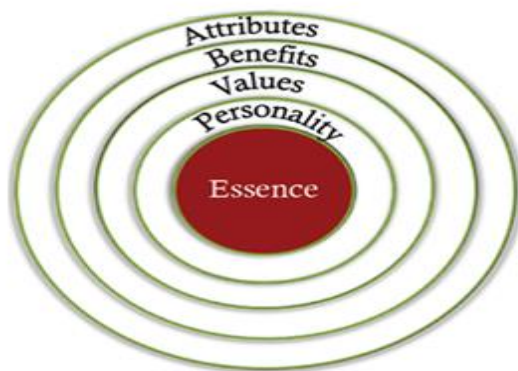
Chalkboard
Materials: Plywood, chalkboard paint



Mirror
Materials: Plywood, Acrylic mirror

Appendix 4: Tryptic segmentation, targeting and positioning analysis.

Segment	Description of Segment
Uniqueness Lovers	<ul style="list-style-type: none"> Value unique products that are different to the mainstream Look for “conversation starters” or cool home gadgets
Art Affined	<ul style="list-style-type: none"> Are interested in art objects Value products from popular artists / designers
Simply the Best	<ul style="list-style-type: none"> Value high prestige brands Use their home as a status symbol
Simply Something	<ul style="list-style-type: none"> Are interested in finding solely some sort of products for their home to fill empty spots Usually mass produced decoration, low-end
Functional Decorators	<ul style="list-style-type: none"> Are interested in products with provide additional functions Utility (i.e. saving space) is valued



Brand Positioning Wheel

Attributes

- Consists of separate planks
- No bolts or screws needed
- Different designs to choose from

Benefits

- Provides 2 uses
- Differentiation from mainstream customers
- Aesthetic

Values

- Uniqueness
- Self-expression
- Innovation

Personality

- Playful / gadgety
- Young
- Flexible

Brand Essence

- Unique decoration with an additional function

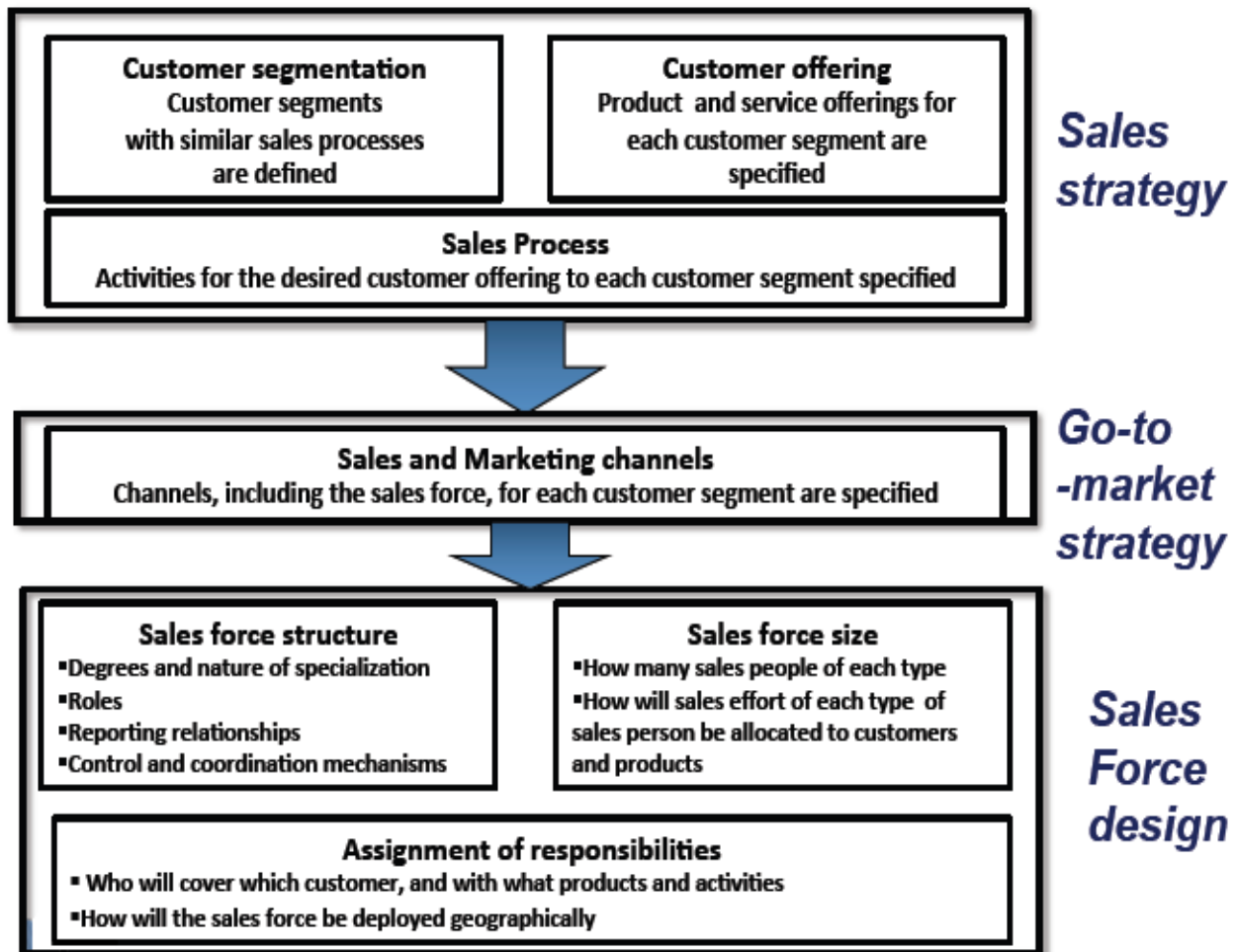
Positioning statement:

*“Shelf Life is wall decoration for young urban people,
that is unique
because it can be transformed into furniture”*

Appendix 5: Online and offline marketing activities for Tryptic

Phase 1: Viral product Launch campaign	
Actions	Description
Tryptic buzz on all social media	A viral campaign in association with an expert viral marketing agency (eg. Djomba) will be launched on all Tryptic social media including Facebook, Linkedin, google+, Twitter, Instagram, Pinterest and Flickr.
Phase 2: Ongoing marketing activities online	
Development of social media guideline	Have a blueprint of what, how and when to post on which social media channels
Engaging posts within decoration/furniture environment	To gain credibility within the decoration and furniture community, interesting, funny or amazing posts with videos, photos, etc. should be posted as well as engaging on others' social media outlets.
Crowd source print ideas for Tryptic decoration	Organize contests to engage with the social media following
Community, fan and follower engagement	Become a respected authority in the world of contemporary and unique furniture/decoration by responding to peers, fans and followers and recommending them all kinds of interesting topics.
Website features	An engaging promotional video; 360 degree product view; Information about designers and artists; An integrated store locator or Tryptic; Hyperlinks
Blog	To engage best with the community, a blog should be started and maintained. It can also serve as an additional income stream through affiliate referral.
Search Engine Optimization (SEO)	The website, blogs and social media should be search engine optimized, meaning easy to find in search engines, to generate traffic.
Phase 2: Ongoing marketing activities offline	
Concept store promotion	Be present in concept stores to attract attention from industry experts and trend-setters
Furniture, decoration and concept fairs	Entering fairs to directly communicate with potential customers and receive product feedback. Fairs such as Lisboa deign show, intercasa concept.
Design contests	POPs Serralves is a design contest with much national exposure which could benefit Tryptic promotionally.

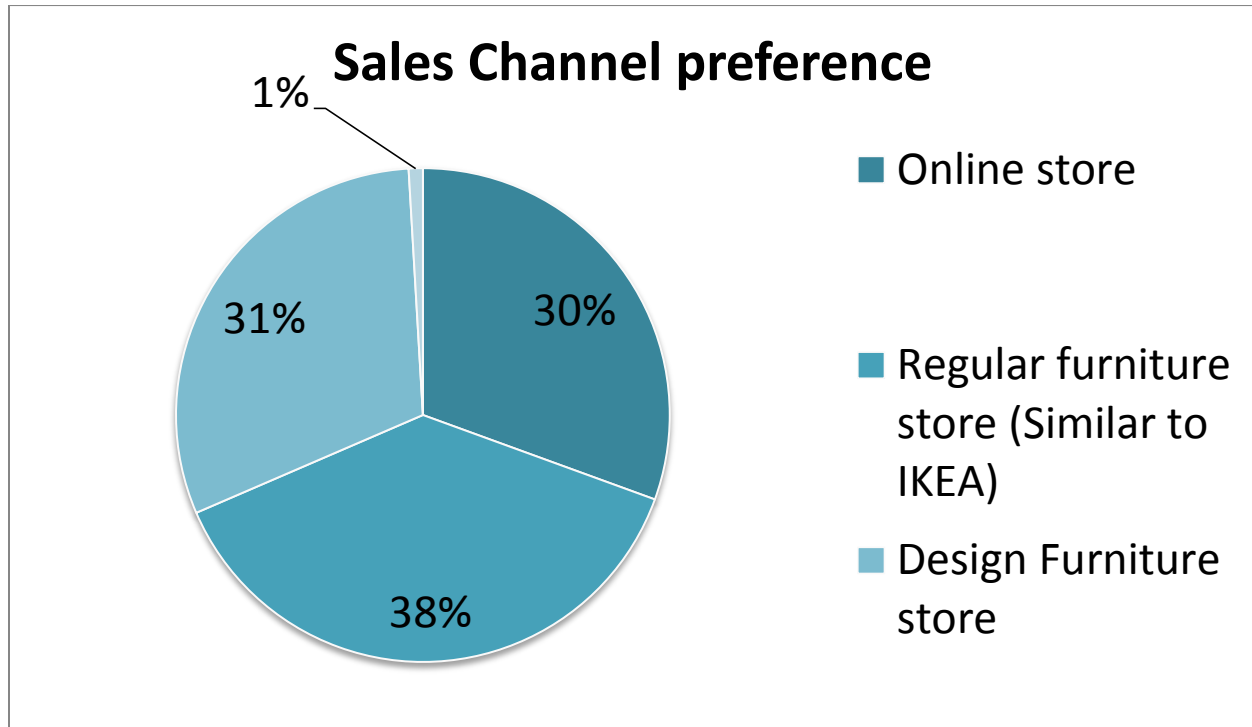
Appendix 6: Sales Force Design Process Framework



Appendix 7: Sales process diagram



Appendix 8: Sales channel preference



It can be seen that **68% of respondents** would **prefer** to purchase the product in a **traditional brick-and-mortar store**.

Appendix 9: Initial list of Tier 1 concept stores

Lisbon:

Blendstore
21pr Concept.store
Real slow retail concept store
Embaixada
Mousse Concept store
Republica das flores
Espaço B
Arte Assinada concept store
Intemporal Lisboa

Porto:

Zoorb
Muuda
Catarina Martins
Taken Urban Culture Store
66 Avenida Brasil

Guimaraes:

25th PROJECT store

Coimbra:

Miyuki
Coimbra Concept Store
Espatodea - Art & Design

Braga:

UNA Concept Store

Proenca-a-Nova:

Galeria Showroom

Viana do Castelo:

Objectos Misturados

Guarda:

Ward Concept Store

Small retail and decoration stores:

Ale-Hop
Lethes Home
Interforma
A loja do gato preto
Bo Concept
Aldeco

Appendix 10: Primary retail locations in Portugal, circled in red



Appendix 11: Focus group ad

Brand Y

Beautiful wall art that can be transformed into unique furniture



Brand Y is art like never seen before. It is multi-piece wall art, which has a very unique feature:

You can take it off your wall and assemble it as a piece of furniture! No screws, bolts or other parts needed, due to the award-winning slide and fit system. Hanging it back on the wall is as easy as hanging a regular painting

Brand Y provides you with beautiful art that also suits your furniture needs!

'Brand Y, functional beauty'

Appendix 12: Price response analysis model

	low table	regular table	decoration
low end	7	35	20
cheap	20-80	70-100	30-50
normal	80-200	100-300	50-100
premium	200-1000	300-1000	100-400
high end	1000-1500	1000-2000	400-700

